

**EIGHTY-SEVENTH GENERAL ASSEMBLY  
2018 REGULAR SESSION  
DAILY  
HOUSE CLIP SHEET**

**March 27, 2018**

**Clip Sheet Summary**

Displays all amendments, fiscal notes, and conference committee reports for previous day.

<b>Bill</b>	<b>Amendment</b>	<b>Action</b>	<b>Sponsor</b>
<a href="#"><u>HF 2234</u></a> .....	<a href="#"><u>H-8314</u></a> .....	Filed	McKEAN of Jones
<a href="#"><u>HF 2338</u></a> .....	<a href="#"><u>H-8315</u></a> .....	Filed	RECEIVED FROM THE SENATE
<a href="#"><u>SF 359</u></a> .....	<a href="#"><u>H-8313</u></a> .....	Filed	RIZER of Linn
<a href="#"><u>SF 481</u></a> .....	<a href="#"><u>H-8319</u></a> .....	Filed	HOLT of Crawford
<a href="#"><u>SF 481</u></a> .....	<a href="#"><u>H-8321</u></a> .....	Filed	ISENHART of Dubuque
<a href="#"><u>SF 2169</u></a> .....	<a href="#"><u>H-8316</u></a> .....	Filed	BAUDLER of Adair
<a href="#"><u>SF 2235</u></a> .....	<a href="#"><u>H-8320</u></a> .....	Filed	WORTHAN of Buena Vista
<a href="#"><u>SF 2353</u></a> .....	<a href="#"><u>H-8318</u></a> .....	Filed	RUNNING-MARQUARDT of Linn
<a href="#"><u>SF 2364</u></a> .....	<a href="#"><u>H-8317</u></a> .....	Filed	RECEIVED FROM THE SENATE

**Fiscal Notes**

[HF 2473](#) — [Aircraft Parts and Labor Sales Tax Exemption](#) (LSB5176HV)

HOUSE FILE 2234

H-8314

1 Amend the Senate amendment, H-8264, to House File 2234, as  
2 passed by the House, as follows:

3 1. Page 1, after line 1 by inserting:

4 <\_\_\_\_. Page 1, after line 32 by inserting:

5 <Sec. \_\_\_\_\_. Section 615.1A, Code 2018, is amended to read as  
6 follows:

7 **615.1A Execution on judgment — claim for rent.**

8 After the expiration of a period of ~~five~~ ten years from the  
9 date of entry of judgment of a court not of record, or twenty  
10 years from the date of entry of judgment of a court of record,  
11 in an action on a claim for rent, exclusive of any time during  
12 which execution on the judgment was stayed pending a bankruptcy  
13 action or order of court, such judgment shall be null and void,  
14 all liens shall be extinguished, and no execution shall be  
15 issued. However, in the event that the judgment or the right  
16 to collect thereon is sold or otherwise assigned for value to  
17 a third party other than a state or federally chartered bank  
18 or credit union, such judgment shall be null and void, all  
19 liens shall be extinguished, and no execution shall be issued  
20 after the expiration of two years from the date of entry of  
21 the judgment, exclusive of any time during which execution on  
22 the judgment was stayed pending a bankruptcy action or order  
23 of court.>>

24 2. Page 1, after line 15 by inserting:

25 <\_\_\_\_. Title page, line 3, after <property> by inserting <and  
26 relating to the statute of limitations period for executing  
27 judgments on claims for rent>>

28 3. By renumbering as necessary.

By McKEAN of Jones

H-8314 FILED MARCH 26, 2018

SENATE AMENDMENT TO  
HOUSE FILE 2338

H-8315

- 1     Amend House File 2338, as passed by the House, as follows:
- 2     1. Page 2, line 15, by striking <5, and 6,> and inserting
- 3     <and 5,>
- 4     2. Page 6, by striking lines 13 through 26.
- 5     3. Page 10, by striking lines 22 through 25 and inserting:
- 6     ~~<e>~~ This subsection does not apply to a person whose license
- 7     was revoked under section 321J.2A ~~or section 321J.4, subsection~~
- 8     ~~4 or 6,~~ to a person whose license was revoked under section
- 9     321J.4, subsection 6, for the period during which the person is
- 10    ineligible for a temporary restricted license, or to a person
- 11    whose license is suspended or revoked for another reason.>
- 12    4. By renumbering as necessary.

H-8315   FILED MARCH 26, 2018

SENATE FILE 359

H-8313

1 Amend Senate File 359, as passed by the Senate, as follows:

2 1. By striking everything after the enacting clause and  
3 inserting:

4 <Section 1. NEW SECTION. **146C.1 Legislative findings and**  
5 **intent.**

6 1. The general assembly finds all of the following:

7 a. Abortion carries significant physical and psychological  
8 risks to the pregnant woman, and these physical and  
9 psychological risks increase exponentially with the  
10 postfertilization age of the unborn child.

11 b. As the second trimester of a pregnancy progresses, in the  
12 vast majority of uncomplicated pregnancies, the health risks to  
13 the pregnant woman of undergoing an abortion are greater than  
14 the risks of carrying a pregnancy to term.

15 c. Medical complications from dilation and evacuation  
16 abortions include but are not limited to pelvic infection;  
17 incomplete abortions and retained tissue; blood clots; heavy  
18 bleeding or hemorrhage; laceration, tear, or other injury to  
19 the cervix; puncture, laceration, tear, or other injury to the  
20 uterus; injury to the bowel or bladder; depression; anxiety;  
21 substance abuse; and other emotional or psychological problems.  
22 Further, in abortions performed in the second trimester, there  
23 is a higher risk of requiring a hysterectomy, other reparative  
24 surgery, or blood transfusion.

25 d. The state of Iowa has legitimate interests from the  
26 outset of pregnancy in protecting the health of women, as the  
27 medical, emotional, and psychological consequences of abortion  
28 are serious and can be lasting.

29 2. Based upon the findings specified in subsection 1, it is  
30 the intent of the general assembly through application of this  
31 chapter to restrict the practice of nontherapeutic or elective  
32 abortion to the period prior to the unborn child achieving the  
33 postfertilization age of fifteen weeks.

34 Sec. 2. NEW SECTION. **146C.2 Definitions.**

35 As used in this chapter, unless the context otherwise

1 requires:

2 1. "*Abortion*" means the termination of a human pregnancy  
3 with the intent other than to produce a live birth or to remove  
4 a dead fetus.

5 2. "*Attempt to perform an abortion*" means an act, or  
6 an omission of a statutorily required act, that, under the  
7 circumstances as the actor believes them to be, constitutes a  
8 substantial step in a course of conduct planned to culminate in  
9 the performing of an abortion.

10 3. "*Department*" means the department of public health.

11 4. "*Fertilization*" means the fusion of a human spermatozoon  
12 with a human ovum.

13 5. "*Major bodily function*" includes but is not limited  
14 to functions of the immune system, normal cell growth, and  
15 digestive, bowel, bladder, neurological, brain, respiratory,  
16 circulatory, endocrine, and reproductive functions.

17 6. "*Medical emergency*" means a situation in which an  
18 abortion is performed to preserve the life of the pregnant  
19 woman whose life is endangered by a physical disorder, physical  
20 illness, or physical injury, including a life-endangering  
21 physical condition caused by or arising from the pregnancy, or  
22 when continuation of the pregnancy will create a serious risk  
23 of substantial and irreversible impairment of a major bodily  
24 function of the pregnant woman.

25 7. "*Medical facility*" means any public or private hospital,  
26 clinic, center, medical school, medical training institution,  
27 health care facility, physician's office, infirmary,  
28 dispensary, ambulatory surgical center, or other institution or  
29 location where medical care is provided to any person.

30 8. "*Perform*", "*performed*", or "*performing*", relative to an  
31 abortion, means the use of any means, including medical or  
32 surgical, to terminate the pregnancy of a woman known to be  
33 pregnant with the intent other than to produce a live birth or  
34 to remove a dead fetus.

35 9. "*Physician*" means a person licensed under chapter 148.

1     10. "*Postfertilization age*" means the age of the unborn  
2 child as calculated from fertilization.

3     11. "*Probable postfertilization age*" means what, in  
4 reasonable medical judgment, will with reasonable probability  
5 be the postfertilization age of the unborn child at the time  
6 the abortion is to be performed.

7     12. "*Reasonable medical judgment*" means a medical judgment  
8 made by a reasonably prudent physician who is knowledgeable  
9 about the case and the treatment possibilities with respect to  
10 the medical conditions involved.

11    13. "*Severe fetal abnormality*" means a life-threatening  
12 physical condition that, in the physician's reasonable medical  
13 judgment, regardless of the provision of life-saving medical  
14 treatment, is incompatible with life outside the womb.

15    14. "*Unborn child*" means an individual organism of the  
16 species homo sapiens from fertilization to live birth.

17    Sec. 3. NEW SECTION. 146C.3 Determination of  
18 postfertilization age — certain abortions prohibited —  
19 exceptions — reporting requirements — penalties.

20    1. Except in the case of a medical emergency or a  
21 severe fetal abnormality, in addition to compliance with  
22 the prerequisites of chapter 146A, an abortion shall not be  
23 performed or be attempted to be performed unless the physician  
24 performing the abortion has first made a determination of the  
25 probable postfertilization age of the unborn child or relied  
26 upon such a determination made by another physician. In making  
27 such a determination, a physician shall make such inquiries  
28 of the pregnant woman and perform or cause to be performed  
29 such medical examinations and tests the physician considers  
30 necessary in making a reasonable medical judgment to accurately  
31 determine the postfertilization age of the unborn child.

32    2. a. A physician shall not perform or attempt to perform  
33 an abortion upon a pregnant woman when it has been determined,  
34 by the physician performing the abortion or by another  
35 physician upon whose determination that physician relies, that

1 the probable postfertilization age of the unborn child is  
2 fifteen or more weeks unless, in the physician's reasonable  
3 medical judgment, any of the following applies:

4 (1) The pregnant woman has a condition which the physician  
5 deems a medical emergency.

6 (2) The abortion is necessary to preserve the life of an  
7 unborn child.

8 (3) The unborn child is afflicted with a severe fetal  
9 abnormality.

10 b. If an abortion is performed under this subsection, the  
11 physician shall terminate the pregnancy in the manner which,  
12 in the physician's reasonable medical judgment, provides the  
13 best opportunity for an unborn child to survive, unless, in the  
14 physician's reasonable medical judgment, termination of the  
15 pregnancy in that manner would pose a greater risk than any  
16 other available method of the death of the pregnant woman or  
17 of the substantial and irreversible physical impairment of a  
18 major bodily function. A greater risk shall not be deemed to  
19 exist if it is based on a claim or diagnosis that the pregnant  
20 woman will engage in conduct which would result in the pregnant  
21 woman's death or in substantial and irreversible physical  
22 impairment of a major bodily function.

23 3. A physician who performs or attempts to perform an  
24 abortion shall report to the department, on a schedule and in  
25 accordance with forms and rules adopted by the department, all  
26 of the following:

27 a. If a determination of probable postfertilization age of  
28 the unborn child was made, the probable postfertilization age  
29 determined and the method and basis of the determination.

30 b. If a determination of probable postfertilization age of  
31 the unborn child was not made, the basis of the determination  
32 that a medical emergency existed or that the unborn child was  
33 afflicted with a severe fetal abnormality.

34 c. If the probable postfertilization age of the unborn  
35 child was determined to be fifteen or more weeks, the basis

1 of the determination of a medical emergency, the basis of the  
2 determination that the unborn child was afflicted with a severe  
3 fetal abnormality, or the basis of the determination that the  
4 abortion was necessary to preserve the life of an unborn child.

5     *d.* The method used for the abortion and, in the case of  
6 an abortion performed when the probable postfertilization age  
7 was determined to be fifteen or more weeks, whether the method  
8 of abortion used was one that, in the physician's reasonable  
9 medical judgment, provided the best opportunity for an unborn  
10 child to survive or, if such a method was not used, the basis  
11 of the determination that termination of the pregnancy in  
12 that manner would pose a greater risk than would any other  
13 available method of the death of the pregnant woman or of the  
14 substantial and irreversible physical impairment of a major  
15 bodily function.

16     4. *a.* By June 30, annually, the department shall issue a  
17 public report providing statistics for the previous calendar  
18 year, compiled from the reports for that year submitted in  
19 accordance with subsection 3. The department shall ensure that  
20 none of the information included in the public reports could  
21 reasonably lead to the identification of any woman upon whom an  
22 abortion was performed.

23     *b.* (1) A physician who fails to submit a report by the end  
24 of thirty days following the due date shall be subject to a  
25 late fee of one hundred dollars for each additional thirty-day  
26 period or portion of a thirty-day period the report is overdue.

27     (2) A physician required to report in accordance with  
28 subsection 3 who has not submitted a report or who has  
29 submitted only an incomplete report more than one year  
30 following the due date, may, in an action brought in the  
31 manner in which actions are brought to enforce chapter 148,  
32 be directed by a court of competent jurisdiction to submit a  
33 complete report within a time period stated by court order or  
34 be subject to contempt of court.

35     (3) A physician who intentionally or recklessly falsifies



1 a report required under this section is subject to a civil  
2 penalty of five hundred dollars.

3 5. Any medical facility in which a physician is authorized  
4 to perform an abortion shall implement written medical  
5 policies and procedures consistent with the requirements and  
6 prohibitions of this chapter.

7 6. The department shall adopt rules to implement this  
8 section.

9 Sec. 4. NEW SECTION. **146C.4 Civil actions and penalties.**

10 1. Failure of a physician to comply with any provision of  
11 section 146C.3, with the exception of the late filing of a  
12 report or failure to submit a complete report in compliance  
13 with a court order, is grounds for licensee discipline under  
14 chapter 148.

15 2. A woman upon whom an abortion has been performed in  
16 violation of this chapter may maintain an action against the  
17 physician who performed the abortion in intentional or reckless  
18 violation of this chapter for actual damages.

19 3. A woman upon whom an abortion has been attempted in  
20 violation of this chapter may maintain an action against the  
21 physician who attempted the abortion in intentional or reckless  
22 violation of this chapter for actual damages.

23 4. A cause of action for injunctive relief to prevent a  
24 physician from performing abortions may be maintained against a  
25 physician who has intentionally violated this chapter by the  
26 woman upon whom the abortion was performed or attempted, by  
27 a parent or guardian of the woman if the woman is less than  
28 eighteen years of age at the time the abortion was performed  
29 or attempted, by a current or former licensed health care  
30 provider of the woman, by a county attorney with appropriate  
31 jurisdiction, or by the attorney general.

32 5. If the plaintiff prevails in an action brought under  
33 this section, the plaintiff shall be entitled to an award for  
34 reasonable attorney fees.

35 6. If the defendant prevails in an action brought under

1 this section and the court finds that the plaintiff's suit was  
2 frivolous and brought in bad faith, the defendant shall be  
3 entitled to an award for reasonable attorney fees.

4 7. Damages and attorney fees shall not be assessed against  
5 the woman upon whom an abortion was performed or attempted  
6 except as provided in subsection 6.

7 8. In a civil proceeding or action brought under this  
8 chapter, the court shall rule whether the anonymity of any  
9 woman upon whom an abortion has been performed or attempted  
10 shall be preserved from public disclosure if the woman does not  
11 provide consent to such disclosure. The court, upon motion  
12 or on its own motion, shall make such a ruling and, upon  
13 determining that the woman's anonymity should be preserved,  
14 shall issue orders to the parties, witnesses, and counsel  
15 and shall direct the sealing of the record and exclusion of  
16 individuals from courtrooms or hearing rooms to the extent  
17 necessary to safeguard the woman's identity from public  
18 disclosure. Each such order shall be accompanied by specific  
19 written findings explaining why the anonymity of the woman  
20 should be preserved from public disclosure, why the order is  
21 essential to that end, how the order is narrowly tailored to  
22 serve that interest, and why no reasonable less restrictive  
23 alternative exists. In the absence of written consent of the  
24 woman upon whom an abortion has been performed or attempted,  
25 anyone, other than a public official, who brings an action  
26 under this section shall do so under a pseudonym. This  
27 subsection shall not be construed to conceal the identity  
28 of the plaintiff or of witnesses from the defendant or from  
29 attorneys for the defendant.

30 9. This chapter shall not be construed to impose civil  
31 or criminal liability on a woman upon whom an abortion is  
32 performed or attempted.

33 Sec. 5. EFFECTIVE DATE. This Act, being deemed of immediate  
34 importance, takes effect upon enactment.>

35 2. Title page, lines 1 and 2, by striking <fetal body parts

H-8313 (Continued)

1 and providing penalties.> and inserting <an unborn child,  
2 providing penalties, and including effective date provisions.>  
3 3. By renumbering as necessary.

By RIZER of Linn

H-8313 FILED MARCH 26, 2018

SENATE FILE 481

H-8319

1 Amend the amendment, H-8202, to Senate File 481, as amended,  
2 passed, and reprinted by the Senate, as follows:

3 1. Page 1, after line 16 by inserting:

4 <\_\_\_\_. Page 3, line 21, by striking <2018,> and inserting  
5 <2019,>>

6 2. By renumbering as necessary.

By HOLT of Crawford

H-8319 FILED MARCH 26, 2018

SENATE FILE 481

H-8321

1 Amend Senate File 481, as amended, passed, and reprinted by  
2 the Senate, as follows:

3 1. Page 7, after line 18 by inserting:

4 <Sec. \_\_\_\_\_. NEW SECTION. 825.12 Local enforcement of federal  
5 immigration law.

6 1. Notwithstanding any other provision of this chapter,  
7 a county, a city, or any agency or employee thereof shall  
8 engage in an action to enforce federal immigration law  
9 only if, pursuant to statute, regulation, or memorandum of  
10 understanding, all of the following conditions have been met:

11 a. A federal agency has agreed to fully reimburse a county  
12 or city for any expenditures, including legal costs, incurred  
13 through enforcement of federal immigration law by the county  
14 or city.

15 b. A federal agency has agreed to defend a county or city in  
16 the event of any legal action taken against the county or city  
17 as a result of enforcement of any federal immigration law, and  
18 to fully indemnify the county or city for any liability imposed  
19 in the course of such a legal action.

20 2. Subsection 1 does not apply to an action by a county, a  
21 city, or any agency or employee thereof to comply with a court  
22 order or federal arrest warrant.

23 3. A county or city may submit a claim for reimbursement  
24 of any expenditures, including legal costs, incurred through  
25 enforcement of federal immigration law to the department of  
26 management. The department of management shall adopt rules  
27 pursuant to chapter 17A relating to the reimbursement of  
28 counties and cities pursuant to this section, including but not  
29 limited to rules for all of the following:

30 a. Procedures for submission, verification, and payment of  
31 claims by counties and cities for reimbursement pursuant to  
32 this section.

33 b. Acceptable documentation of expenditures, including legal  
34 costs, incurred through enforcement of federal immigration law.

35 c. Appeal procedures for determinations made by the

H-8321 (Continued)

1 department pursuant to this section.>

2 2. By renumbering as necessary.

By ISENHART of Dubuque

H-8321 FILED MARCH 26, 2018

SENATE FILE 2169

H-8316

- 1 Amend Senate File 2169, as passed by the Senate, as follows:
- 2 1. Page 1, after line 30 by inserting:
- 3 <Sec. \_\_\_\_\_. Section 123.92, subsection 2, paragraph a, Code
- 4 2018, is amended to read as follows:
- 5 a. Every liquor control licensee, class "B" beer permittee,
- 6 class "C" beer permittee, and class "C" native wine permittee,
- 7 except a class "E" liquor control licensee, shall furnish proof
- 8 of financial responsibility by the existence of a liability
- 9 insurance policy in an amount determined by the division. If
- 10 an insurer provides dramshop liability insurance at a new
- 11 location to a licensee or permittee who has a positive loss
- 12 experience at other locations for which such insurance is
- 13 provided by the insurer, and the insurer bases premium rates at
- 14 the new location on the negative loss history of the previous
- 15 licensee or permittee at that location, the insurer shall
- 16 examine and consider adjusting the premium for the new location
- 17 not less than thirty months after the insurance is issued,
- 18 based on the loss experience of the licensee or permittee at
- 19 that location during that thirty-month period of time.>
- 20 2. Title page, line 2, after <injuries> by inserting <and
- 21 requiring certain permittees to obtain liability insurance>
- 22 3. By renumbering as necessary.

By BAUDLER of Adair

H-8316 FILED MARCH 26, 2018

H-8320

1 Amend Senate File 2235, as amended, passed, and reprinted by  
2 the Senate, as follows:

3 1. By striking everything after the enacting clause and  
4 inserting:

5 <Section 1. NEW SECTION. 716.11 **Critical infrastructure**  
6 **sabotage — definitions.**

7 Solely for purposes of this section and section 716.12,  
8 unless the context otherwise requires:

9 1. *"Critical infrastructure"* means any of the following:

10 a. An electrical power generating, transmission, or delivery  
11 system.

12 b. A gas, oil, petroleum, refined petroleum product,  
13 renewable fuel, or chemical critical generation, storage  
14 transportation, or delivery system.

15 c. A telecommunications or broadband generation,  
16 transmission, or delivery system.

17 d. A wastewater treatment, collection, or delivery system.

18 e. A water supply treatment, collection, storage, or  
19 delivery system.

20 f. Any land, building, conveyance, or other temporary or  
21 permanent structure whether publicly or privately owned, that  
22 contains, houses, supports, or is appurtenant to any critical  
23 infrastructure as described in paragraphs "a" through "e" of  
24 this subsection.

25 2. *"Critical infrastructure sabotage"* means an unauthorized  
26 and overt act intended to cause and having the means to cause,  
27 and in substantial furtherance of causing, a substantial  
28 and widespread interruption or impairment of a fundamental  
29 service rendered by the critical infrastructure. However,  
30 *"critical infrastructure sabotage"* does not include an  
31 accidental interruption or impairment of service to the  
32 critical infrastructure caused by a person in the performance  
33 of the person's work duties or caused by a person's lawful  
34 activity. In addition, *"critical infrastructure sabotage"* does  
35 not include any condition or activity related to the production



1 of farm products as defined in section 554.9102, including  
2 but not limited to the discharge of agricultural stormwater;  
3 the construction or use of soil or water quality conservation  
4 practices or structures; the preparation of agricultural land  
5 and the raising, harvesting, drying, or storage of agricultural  
6 crops; the application of fertilizer as defined in section  
7 200.3, pesticides as defined in section 206.2, or manure  
8 as defined in section 459.102; the installation and use of  
9 agricultural drainage tile and systems; the construction,  
10 operation, or management of an animal feeding operation as  
11 defined in section 459.102; and the care, feeding, or watering  
12 of livestock.

13 3. "*System*" means a set of connected or interdependent real,  
14 physical, personal, or electronic or computer-based property  
15 that operates as a whole to provide a service. "*System*" also  
16 includes any real, physical, electronic, or computer implement  
17 that may control or monitor any component of the system.

18 Sec. 2. NEW SECTION. 716.12 Critical infrastructure  
19 sabotage — penalties.

20 A person who commits critical infrastructure sabotage is  
21 guilty of a class "B" felony, and in addition to the provisions  
22 of section 902.9, subsection 1, paragraph "b", shall be punished  
23 by a fine of not less than eighty-five thousand dollars nor  
24 more than one hundred thousand dollars.>

25 2. By renumbering as necessary.

By WORTHAN of Buena Vista

SENATE FILE 2353

H-8318

- 1 Amend Senate File 2353, as passed by the Senate, as follows:
- 2 1. Page 1, line 16, by striking <subsections> and inserting
- 3 <subsection>
- 4 2. Page 1, by striking lines 30 through 32.
- 5 3. Page 12, by striking lines 28 through 32.
- 6 4. By renumbering, redesignating, and correcting internal
- 7 references as necessary.

By RUNNING-MARQUARDT of Linn

H-8318 FILED MARCH 26, 2018

SENATE AMENDMENT TO HOUSE AMENDMENT TO  
TO SENATE FILE 2364

H-8317

1     Amend the amendment, S-5179 to Senate File 2364, as amended,  
2 passed, and reprinted by the Senate, as follows:  
3     1. Page 1, by striking lines 5 through 19 and inserting:  
4     <\_\_\_\_. Page 1, by striking lines 31 through 33 and inserting  
5 <emergency operations plan be conducted in each individual  
6 school building in which students are educated. The board and  
7 authorities shall determine which school personnel participate  
8 in the drill and whether students or local law enforcement  
9 agencies participate in the drill. The drill may include but  
10 is not limited to a table top exercise, walk-through, partial  
11 drill, or full drill. This subsection shall not>>  
12     2. By renumbering as necessary.

H-8317   FILED MARCH 26, 2018

# Fiscal Note

*Fiscal Services Division*



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**HF 2473** – Aircraft Parts and Labor Sales Tax Exemption (LSB5176HV)  
Analyst: Kent Ohms (515.971.7053) [kenneth.ohms@legis.iowa.gov](mailto:kenneth.ohms@legis.iowa.gov)  
Fiscal Note Version – New

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## **Description**

[House File 2473](#) expands the existing aircraft repair and maintenance sales and use tax exemption to include aircraft that are not used in scheduled or nonscheduled interstate Federal Aviation Administration certified air carrier operations.

## **Background**

Iowa Code section [328.20](#) requires all civilian aircraft owned or operated within the State for more than 30 days to be registered with the Department of Transportation. Fees for registration established in Iowa Code section [328.21](#) vary based on age and value of the aircraft and range between \$35 and \$5,000. These fees are deposited into the State Aviation Fund.

Nationally, state sales tax laws relating to aircraft maintenance can be broken down into four basic categories:

- States with no sales tax.
- States exempting all aircraft maintenance from sales tax.
- States with a limited sales tax exemption for aircraft maintenance.
- States with a sales tax and no exemption for aircraft maintenance.

## **Assumptions**

- In 2016, there were approximately 2,500 airworthy civilian aircraft registered with the Department of Transportation that have Iowa ownership or likely Iowa ownership. Of these aircraft, 150 (6.0%) had annual registration fees ranging from \$3,000 to \$5,000; 465 (19.0%) had annual registration fees ranging from \$101 to \$2,999; and 1,885 (75.0%) had annual registration fees ranging from \$35 to \$100.
- More expensive aircraft have a higher likelihood of higher maintenance costs. Aircraft in the highest tier of registration fees have estimated annual maintenance costs of \$20,000. Aircraft with mid tier registration fees have annual estimated maintenance costs of \$8,000, and those with lowest-tier registration fees have annual estimated maintenance costs of \$3,000.
- An unknown number of aircraft owners take their planes for scheduled repairs to states that have no sales tax or already have this exemption enacted. Taking repairs out of state is more likely to be cost effective for owners with higher maintenance costs. Therefore, scheduled repairs on an estimated 20.0% of the highest maintenance cost aircraft, and 10.0% of the mid tier maintenance cost aircraft, are assumed to not take place in Iowa.
- The exemption is effective July 1, 2018.

## **Fiscal Impact**

[House File 2473](#) is estimated to decrease sales and use tax revenues to the General Fund, the Secure an Advanced Vision for Education (SAVE) Fund, and the Local Option Sales Tax (LOST) revenues, as presented in the following table.

### HF 2473 Fiscal Impact

	<b>General</b>		
	<b>Fund</b>	<b>SAVE</b>	<b>LOST</b>
FY 2019	\$ -570,000	\$ -114,000	\$ -88,000
FY 2020	-586,000	-117,000	-90,000
FY 2021	-602,000	-120,000	-92,000
FY 2022	-619,000	-123,000	-95,000
FY 2023	-636,000	-126,000	-98,000

#### **Sources**

Department of Revenue  
Department of Transportation  
Iowa Public Airports Association  
Aircraft Owners and Pilots Association  
LSA Calculations

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/s/ Holly M. Lyons

March 26, 2018

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The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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